

IRS SERVICE CENTERS TO BE REORGANIZED

WASHINGTON – Some taxpayers will start sending their returns to a different address beginning with the 2001 filing season as the Internal Revenue Service reorganizes its service center operations to focus on specific customer segments.

The center reorganization will begin October 1, 2000, and be completed within two years.

Taxpayers and their representatives will continue to contact the IRS in the same ways they do now.

They will send their returns to the center whose address is printed on the envelope in their tax package, listed in the instructions for each type of return, or contained in software used to prepare their electronic returns.

As they do now, taxpayers may call any IRS toll-free number to get their account information. The call will automatically be routed to the IRS office responsible for providing the information.

And taxpayers may continue to respond to IRS compliance notices by calling the toll-free number printed on the notice.

“The changes will be invisible to taxpayers, but will ultimately result in better service for them,” said Bob Wenzel, IRS Deputy Commissioner.

The 10 centers receive and process tax and information returns, manage taxpayer accounts, and conduct simple audits through correspondence and other enforcement actions. The IRS’s current system is to assign these activities to a specific center based on the taxpayer’s geographic location, without regard to the type of return.

Under the reorganization, these activities will be assigned to a center based on three factors:

- Whether the return is an individual or business return
- The taxpayer’s geographic location
- The division to which the center will report

(more)

“This move places each center under the direct authority of either our new Wage and Investment or Small Business/Self-Employed Division,” said Wenzel. “It allows the centers to build expertise in their particular customer segments, improving the quality of work and the service we deliver to taxpayers.”

Both the W&I and SB/SE divisions officially come into existence on October 1, 2000.

The W&I Division will serve approximately 116 million taxpayers who have wage and investment income only. The SB/SE Division will serve approximately 45 million taxpayers comprised of fully or partially self-employed individuals and small businesses.

Five centers – Andover, Atlanta, Austin, Fresno and Kansas City – will be aligned with the new W&I Division.

Five centers – Cincinnati, Ogden, Memphis, Philadelphia and Brookhaven – will be aligned with the Small Business/Self-Employed Division. SB/SE will also handle center-based activities for tax-exempt, government entity and approximately 210,000 large and mid-size business filers.

Eight centers will handle the receipt and processing of individual returns. They include the five W&I centers and the Brookhaven, Memphis and Philadelphia centers. Cincinnati and Ogden will handle the receipt and processing of business returns. Business returns include employment, estate and gift tax returns.

For the 2001 filing season, individual taxpayers in 12 states and business taxpayers in 16 states will be affected. The following year, individual taxpayers in an additional 13 states and business taxpayers in an additional 18 states will be affected. At that point, all business filers will be sending their returns to either the Ogden or Cincinnati centers.

Additional information will shortly be available on the IRS Web site at www.irs.gov/bus_info/tax_pro/index.html.

XXX